

ing the hands of the German Liberals who are attempting to overthrow Prussian domination.

Indefinite despatches in the aggregate justify the impression that if the German censor did not mutilate telegrams from Germany concerning the political situation it would be plain that Herr Erberger, who demanded a change as leader of the Clerical Centre, is practically allied with the Austrian Government, which is very anxious to compel peace before it is too late to save the Dual Monarchy.

If Von Hindenburg becomes Chancellor or dictator it is considered likely that he will be only the more active, followed by a peace move and the assumption of power by a more moderate Chancellor, possibly the return of Bethmann-Hollweg, in order to make the best possible peace.

"It is evident that the Imperial Chancellor will not be able to sit on the fence any longer; he must take sides," said a highly placed official to-day in summarizing the German political situation.

"Herr Schiedemann, after making a tour of investigation throughout the country, writes to his Socialist paper that the Chancellor must make Germany democratic or he will be forced to negotiate with the Allies. If the Chancellor joins with the democratic side he will be confronted by powerful opposition because the Junkers, capitalists and moneyed classes instantly will fight him. They have suffered little. Many even have profited by the war and they are determined upon an uncompromising course."

"If, on the other hand, the Chancellor joins them the democratic elements will establish a political opposition to the Government in the Reichstag. It is impossible to estimate the strength of the parties in the Reichstag, but beyond any doubt a moderate policy, which members are in favor of a liberal policy, although it cannot yet be said that a majority of them favor a demand for peace."

"The Germans relied upon their first peace proposals last autumn. When they failed they staked heavily upon international socialism, through the medium of the Socialists, for the defense of the country was expected to pave the way to peace. The Germans were utterly outplayed in both games by the Allies, and they have lost both of these resources. Germany now possesses only her military and naval power."

"The civil ministers are discredited and must resign, they intend to make as the next move. It is doubtful if the time has arrived when the Conservatives can be overturned."

### WANTS U-BOATS HALTED.

**Erberger Motive Revealed by Berlin Comments.**

LONDON, July 10.—A German wireless despatch to-day says that at Monday's meeting of the Reichstag Main Committee the submarine activity was unanimously recognized as "an activity which had surpassed all expectations."

According to a despatch from Copenhagen, a German arriving here from Berlin said the purpose of Herr Erberger, the Catholic Centre party leader, in making his sensational speech before the Main Committee of the Reichstag last Friday, was to bring about an abandonment of the submarine campaign as well as to procure the proclamation of a peace programme without annexations or indemnities.

Although the German censor has kept out of the newspapers the speech of Herr Erberger, which attacked the submarine campaign, and the pan-Germans, an idea of the nature of his references to the submarine campaign may be gained from the following: "The Count Reventlow, naval expert of the Tageszeitung of Berlin. The Count declares that in attempting to win the war by the submarine campaign, Herr Erberger and his supporters are aiming at the destruction of the nation's confidence in victory, which depends so largely on the submarine, and of the confidence of a German people."

Herr Erberger's criticisms, in which Count Reventlow intimates the Foreign Office sympathies, are intended to point out in the German submarine policy, namely, the failure to produce prompt results within fixed time limits, for the Count, who is the greatest childlike partisan politician to any to the Government in committee something as follows: "You fixed the submarine programme for a definite number of months. This period has now expired. No decision has been reached. You therefore erred where no error was possible."

Count Reventlow answers this hypothetical presentation of the case by insisting that the sole question to be considered in weighing the merits of the submarine war was whether it would have decisive success within a specified period.

That Herr Erberger's attack took these lines is further indicated by citations of statistics by Vice-Admiral Eduard von Capelle and Vice-Chancellor Friedrich von Holtz, which show the submarine campaign is wearing dead Britain down and the War Minister's attempt to show how submarine ruthlessness is helping the land campaign.

### ITALIANS REPULSE SURPRISE.

**Austrian Attack During Thunder Storm Fails.**

ROME, July 10.—The Italian War Office report issued to-day says: "After an intense bombardment last night the enemy, taking advantage of a violent thunder storm, attacked our positions on the Vodic. His assaulting parties were destroyed by our fire, which prevented the supporting forces from making an advance. In the same manner we frustrated other small attacks against our positions in the Upper Cordevole and on Piccolo Lagaiolo."

The artillery was more active than usual yesterday on the Trentino and Carnia fronts and normal on the Julian front. The enemy made no advance on both sides led to sharp encounters. An enemy party which approached our lines on the Vodic was repulsed promptly.

### SAYS ALLIES LOST 220 PLANES.

**Berlin Reports 33 Balloons Also That Were Felled in June.**

BERLIN, via London, July 10.—A summary of aerial activity, appended to a daily army headquarters report, says: "The results of the engagements with enemy aeroplanes during the month of June were good."

Our enemies lost 220 aeroplanes and 33 captive balloons through the effect of our weapons. Of these, 100 were shot down sixty enemy machines. The remainder were brought down in aerial fighting.

Our losses were 68 aeroplanes and 3 captive balloons.

LONDON, July 11.—On the basis of the official reports from allied war offices the London newspapers declare that the German advance in the European theatre is absurdly false. The figures show that 279 German machines were destroyed and driven down out of control.

### FRENCH LINER IS SUNK.

**Fifty-one Lost When Caledonian Goes Down.**

PARIS, July 10.—The French liner Caledonian was sunk by a mine or torpedo in the Mediterranean June 30, according to an announcement issued last night by the Ministry of Marine. Fifty-one persons were lost and 350 were saved.

The Caledonian was of 4,140 gross tons, built in 1882, and owned by the Messageries Maritimes of Paris.

### FRENCH GUNS SAFE.

#### TRENCHES IN WEST

**Germans Are Repulsed in Fresh Attacks on the Chemin-des-Dames.**

### BRITISH CONTINUE GAINS.

#### Field Marshal Haig Advances His Line Somewhat South of Ypres.

LONDON, July 10.—Except for heavy artillery firing in Belgium there has been comparatively slight activity on the western front during to-day. Last night fresh German attempts to make an impression on the French front on the Chemin-des-Dames failed, the French artillery preventing the Germans even from reaching the trenches attacked. Field Marshal Haig advanced his line somewhat south of Ypres during the night. The official statements follow:

British Day Statement.—Last night we advanced our line slightly east of Oostvaere (one mile northeast of Wytschaete). South of the Ypres canal we carried out a successful raid. We captured some prisoners.

British Night Statement.—Last night entered enemy trenches in the neighborhood of Nieuport and inflicted casualties on the garrison. South-east of Havincourt and east of Monchy-lez-Preaux (southeast of Arras) hostile troops were driven back. The enemy artillery was very active all day against our positions on the coast. Toward evening the fire of his heavy artillery reached a great intensity. Our artillery is replying vigorously.

Bad weather again prevented aerial operations by either side yesterday.

### FRENCH REPULSE ENEMY.

**French Day Statement.—Yesterday evening the enemy's bombardment consisted of a series of violent attacks on the Chemin-des-Dames. The enemy made a strong attack on our positions at the Hurbles monument and the Dragon. His effort was vain. He failed to reach our line, the enemy troops were dispersed, suffering severely.**

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### NEW ARMY GENERALS ASSIGNED TO POSTS.

#### Morton Will Command Troops at Syracuse.

WASHINGTON, July 10.—Assignments for the recently promoted generals of the regular army were announced by the War Department to-day as follows:

Major-Gen. Charles G. Morton, to command the troops at Syracuse, N. Y., the largest regular army expansion post.

Major-Gen. John F. Morrison, to command the troops at Champlain Park, N. Y.

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### WILSON GETS PLAN FOR WAR PURCHASES.

#### Defence Council Industries Board Is Proposed.

WASHINGTON, July 10.—The Defence Council's plan for reorganizing its committee system to coordinate the work of purchasing war supplies was submitted to President Wilson to-day. It calls for elimination of most of the council's 150 committees and creation of a war industries board of three members, the council's committee on supplies, and Frank Scott, chairman of the general munitions board.

The establishment of a war industries board is expected to silence a great deal of criticism directed at members of the council's committees, who have been charged, pass on Government purchases while themselves selling to the Government.

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### U. S. EMBARGO PINCH.

#### President, Cabinet and Export Council O. K. Drastic Regulations.

WASHINGTON, July 10.—The embargo situation and the protest of some of the neutral countries was discussed by the Cabinet to-day. Later Secretary Redfield conferred at length with the President on some of the details of the administration of the new export regulations to go into effect next Sunday.

There is every reason to believe as a result of the discussions which have taken place in the export council meetings and at the White House that the control which the United States will assume over its exports will be exercised with unvarying rigor.

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The optimistic conclusions of the commission are not derived alone from consultations with the governmental heads, but are based more largely upon the spirit and energy of the Russian people which has been encountered in public organizations, political and industrial councils and in all the delegations which have been sent to the conference of the nation as a whole.

Members of the commission, who came in frequent contact with the popular leaders, whether the Council of Workmen's Deputies, the delegates of the peasants' delegates or any of the various other elements of the complex proletarian organization, have expressed the opinion that the Russian democracy is the natural result of the new era.

There is, however, no disposition on the part of the commission to minimize either the dangers threatened by the widespread German propaganda and pacifist agitation or the practical difficulties in the way of transportation and the reconstruction of Russia's economic life. The question of the food supply is, in the opinion of the commission, the most important problem confronting the country, and the commission has immediately taken to improve transportation this fall and winter will see famine in many places. Mr. Root has made the following statement to the Associated Press:

### FRANCE TO SALVAGE CLOTHING.

**Government to Lower Prices on Shoes for Poor.**

PARIS, July 10.—Plans are rapidly developing to relieve the poorer classes of France by lowering the prices on clothing and underwear. The commission is cooperating with prominent men in the various industries with a view to utilizing old clothes, remaking them in the big factories, principally those of Vienne le Boeuf, the chief region where the collection and manufacture of woollen clothes is possible.

The proposed operation would give the Government 30 per cent. of transactions in old clothes and rags. It is also proposed to add the Government in collecting old shoes by the million, which will be sold to smaller shops.

It is pointed out that the leather does not deteriorate and is workable until it is entirely worn out. All of the leather in the big factories, the civil population. None will go to the army.

### WINS SCHOLARSHIP IN FIELD.

**French Student First to Benefit by Harvard's Chapman Memorial.**

PARIS, July 10.—Ayrne Martin, an undergraduate of the Law School at Lyons, has been decorated with the military medal and discharged from the service with honors. He has been appointed the first holder of the Victor Chapman scholarship and will go to Harvard to study comparative American and French law in 1917-18.

Corporal Victor Chapman was a member of the Franco-American Flying Corps who met his death in June, 1916, in the service at the front. The Harvard Corporation announced the establishment of a fellowship as a memorial to him.

### YACHT SAVED ORLEANS CHIEF.

**Captain Badly Hurt, Hid in Water to Escape U-Boat.**

Special Cable Despatch to The Sun.

PARIS, July 10.—Capt. Tucker of the American steamship Orleans, the first ship to run the German blockade, has arrived again at a French port, but without her ship. He limped away from an injury to his foot received when he jumped into the water after the Orleans had been torpedoed.

Capt. Tucker remained in the water two hours while the submarine circled around examining the lifeboats and trying to find the captain. He was rescued by an armed American yacht.

This is the first news that American vessels other than destroyers were engaged in submarine warfare in European waters, and especially that converted yachts were so engaged.

### SOCIALISTS RAISE CRY OF MILITARISM HERE.

#### They Protest to President Against Action of Soldiers.

Declaring that "organized bands of men would be the undoing of the United States have systematically disturbed and broken up public mass meetings," the executive committee of the Socialist party sent yesterday an appeal to President Wilson to put a stop to "anti-Socialist riots."

"They (the soldiers and sailors) have conducted numerous searches of houses and made arrests without being in the possession of search warrants and without the shadow of legal authority," the appeal asserts. "They have invaded private dwellings and press offices. They have destroyed property and bullied men and women and children and handled them roughly. They have ruthlessly, tumultuously and spitefully trampled all constitutional rights and liberties under foot. Although these things have been going on for days and days, nothing has been done to stop them by either civil or military authorities."

### GERMANS SUFFER SHOCKING LOSSES IN ATTEMPT TO TAKE PANTHEON FARM.

#### FRENCH REPULSE ENEMY BRIGADE OF CHASSEURS-A-PIED DRIVES OUT TWELVE TUNTON BATTALIONS.

By the Associated Press.

PARIS, July 10.—The French troops holding the sector of the Chemin-des-Dames to the south of Fila, although drenched to the skin and mud covered from head to foot, were full of confidence and cheerfulness to-day when the correspondent went among them. They had just repulsed an attack of the most formidable nature in which the Germans suffered shocking losses without obtaining more than a temporary foothold in these constantly contested positions.

The sector in question comprises the Pantheon Farm, astride the Chemin-des-Dames, and is menaced at all times because of the domination of it by the ancient Fort de Malmouin, which is in the